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25 June 1975

DCI BRIEFING FOR
27 JUNE WSAG MEETING

PERSPECTIVES IN INDOCHINA

I. Hanoi's victory in the south has brought its high opinion of its strength and virtue to new -- and somewhat overbearing -- heights. The Vietnamese almost certainly will attempt to capitalize on their new stature to expand their influence in the wider Southeast Asian region.

A. Thus Hanoi's future policies, and particularly its intentions toward Thailand and the Communist insurgency there, *can produce new difficulties in Indochina.* ~~will be of major interest to the US Government.~~

B. ~~We also assume that~~ the massive tasks of consolidation and rebuilding in Vietnam, Laos, and Cambodia will absorb a great deal of the Communists' attention and energies.

~~and that we will want to follow these efforts as in general terms.~~ *problems can grow from them, successful or not.*

C. Political problems and rivalries among the Indochinese states and their Communist allies *with respect to*

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will also be of interest. Although Indochina is now controlled by Communist governments (or a Communist-dominated one in Laos), these governments ^{are} ~~will not be~~ monolithic.

1. The conflicting interests and the political and ideological tensions that have frequently surfaced over the years are likely to intensify in the aftermath of the war.

D. ~~We also expect~~ ^{will also} Sino-Soviet rivalry ~~to become~~ more open and direct as each power maneuvers to improve its position at the expense of the other, ~~and we will want to monitor these developments.~~

II. There have been signs of tension among the various players even during the past month or so, in events such as:

- The friction in Sino-Vietnamese relations caused by the Vietnamese Communists' seizure of islands in the Spratly group also claimed by China;
- Fighting between Vietnamese and Cambodian forces for control of off-shore islands and fairly intense clashes along the mainland border;

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-- The speed and apparent success with which the Chinese have moved to establish close relationships with the new government in Cambodia, in an obvious effort to minimize North Vietnamese and Soviet influence there.

III. In Vietnam, it is obvious that basic policy in the South is being set by Hanoi.

A. The North Vietnamese have made it clear that formal reunification is only a matter of time, but evidence on the speed of the process is not conclusive. There seems a good chance, ~~however~~ that it could be accomplished within another year.

B. In this interim period, the Communists are organizing their administrative and political control of the South and filling the vacuum left by the GVN's departure.

C. The two major problems of the new administration concern security and the economy.

1. There is some local resistance from former South Vietnamese soldiers and members of the country's principal religious groups, but ~~it is~~ ^{these are} unlikely to pose any long-term threat to the new regime.

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2. Large numbers of displaced persons and former government cadre are contributing to widespread unemployment and have begun taxing food supplies. Many of these people are being asked to return to the countryside, although there is no reliable evidence to suggest a forced migration.

D. In the meantime, the Communists are inviting foreign recognition of the southern regime. They will apparently permit limited diplomatic representation in Saigon -- probably at the charge level -- and are interested in obtaining UN membership for both Vietnamese regimes at this fall's General Assembly session.

IV. In Laos, the Pathet Lao moved rapidly to consolidate political and military control over all of the country following Communist victories in South

Vietnam and Cambodia. Laotian non-Communists, *with no support from abroad,* ~~have~~ offered practically no resistance.

A. The Pathet Lao still pay lip service to the concept of a coalition government, but the coalition is nothing more than a smokescreen for a complete Communist take-over.

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- B. Neutralist Souvanna Phouma remains Prime Minister, but -- like the King in Luang Prabang -- Souvanna reigns but does not rule.
- C. Souvanna's Pathet Lao deputy, Phoumi Vongvichit, has already begun to run coalition cabinet meetings. The Prime Minister attends but offers no opposition.
- D. There are unconfirmed reports that Souvanna may announce his retirement from active political life prior to leaving Laos with King Savang on an official trip abroad in mid-July. Given Souvanna's figurehead role in the coalition, his ~~old~~ age (nearly 74), and his failing health, the reports are plausible.
- E. The same reports indicate that Souvanna will name his half-brother and nominal Lao Communist leader, Prince Souphanouvong, as his successor. Souphanouvong, who now serves as chairman of the coalition's Joint National Political Council, has long been considered Souvanna's heir-apparent. He has a national following second only to Souvanna's.

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V. Pathet Lao moves to strip the rightists of all political and military power have been paralleled by a carefully orchestrated campaign of demonstrations and harassment against the US presence in Laos.

A. As you know, the US has agreed to dissolve the AID organization by June 30.

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~~sized~~ that they wanted to maintain good relations with the US and receive US aid, ^{but they}

~~1. They added the standard Pathet Lao caveat,~~

^{say} ~~however,~~ that such aid must be uncondi-
tional and given directly to the Lao gov-
ernment.

^{doubtful that} D. It is ~~unclear~~ whether the Lao really expect

to get aid on such terms. ^{and I} and it is ~~also~~ un-

clear how they will react when they ~~find out~~ ^{are told}

that the US ~~has already decided against giving~~ ^{will not}

aid in the future. ~~There are some indications,~~

^{however,} that the Pathet Lao's North Vietnamese

^{claim that} mentors believe getting rid of the Americans

is more important than continued aid for Vien-
tiane.

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1. Recent authoritative North Vietnamese broadcasts and editorials have hailed the "seething uprising" in Laos against the US, and supported the demand that "American forces be thrown out of Laos in the shortest possible time."
2. Hanoi has given logistic and combat support to its Pathet Lao clients.

VI. In Cambodia, the new Communist government is not likely to assume an active role ⁱⁿ ~~within the region~~ ^{al affairs} ~~over~~ the next two years.

A. The Khmer Communists can be expected to pursue their long-term domestic programs ruthlessly, but the lack of well-trained cadre and excesses of revolutionary zeal are already causing major problems for the new regime.

1. As a result, the xenophobia and paranoia of the Khmer Communists will probably only deepen, and Cambodia may not emerge from its shell for some time.

B. At present, China is the only source of post-war reconstruction aid. Peking's influence will continue to be dominant.

1. Hanoi, of course, has made ~~a considerable~~ ^{supported} investment in the Cambodian insurgency,

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and does have its supporters among the Cambodian leadership. But, because of the tensions resulting from the territorial disputes, it will have to work hard to regain a meaningful measure of influence in Phnom Penh.

2. Moscow's ^{related} efforts to find a role in the new Cambodia have been rebuffed, so the Soviets might encourage Vietnamese efforts in order to temper Peking's influence.
3. Thus some fairly keen Sino-Vietnamese rivalry for influence over the independent-minded Khmer Communists seems likely.

VII. As for Thailand, the government is reacting to the necessity of co-existing with a victorious Hanoi by disassociating itself from US policies, and accelerating efforts toward rapprochement with Asian communist regimes.

- A. It seems probable, however, that the evolution of Thai policy will closely mirror the pattern established by Indonesia and Malaysia -- countries that are generally accepted as neutral, but who cultivate good relations with the US.

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B. Bangkok will continue to press for the departure of US forces from Thailand, and ~~may move even more rapidly in view of the Mayaguez incident.~~

1. At the same time, however, most top Thai military figures have privately applauded the US action.

But, ~~2. Also,~~ Thailand has strong economic ties with the US, and depends on American support for its armed forces. Hence, Bangkok will probably want to keep ~~a~~ *some* ~~relatively close~~ relationship with the US.

C. Thai Communist insurgency has continued to grow slowly but steadily. *It will continue to grow and will receive support from far more immediate threat should Hanoi now choose, but we believe Hanoi will not intervene directly.* ~~a distinct possibility.~~

1. Although in the past the Thai government has tended to ignore the insurgency, Bangkok is clearly worried about Hanoi's intentions. This worry is reinforced by the Thai's conviction that the US is no longer a reliable guarantor of Thai security.

D. Thailand's long-term future will also rest heavily on the government's ability to maintain a reasonable degree of political stability and public support.

1. If the Thai are unable to do this -- say, for example, the military moved against the fledgling parliamentary system -- the insurgency ^{may} ~~could~~ get a shot in the arm, broaden its scope, and make inroads into the urban areas.

2. In this situation, an alliance between the Communist insurgents and leftist

and subudent elements in Bangkok could *create* ~~substantial problems for~~ but not seriously challenge ~~any~~ ^{the} Thai government.

VIII. Meanwhile, the Communist victories in Indochina are producing ~~some predictable~~ reactions elsewhere in Southeast Asia.

A. Singapore's Prime Minister Lee Kuan Yew is especially concerned about the impact on the security of Thailand and Malaysia, which also has an active Communist insurgency.

1. ~~Any~~ ^{worsening} of the ethnic Chinese-dominated ^{Communist} insurgency in Malaysia ~~would~~ ^{would}

~~in turn have serious implications for~~

~~pose longer term problems to the~~ *healthy the non-Communist Chinese social*

developed in
~~the security of Singapore and its pre-~~
~~dominantly Chinese population.~~

B. Indonesia is ~~now more~~ *more* interested ~~than ever~~
in promoting regional cooperation on security
and defense matters, and sees itself as the
natural leader of ~~the~~ non-Communist Southeast Asia.

C. Philippine President Marcos has reacted to
events in Indochina more in the Thai manner.
He is attempting to develop a more non-aligned
foreign policy, and is moving toward relations
with China and possibly other Asian Communist
states.

1. Marcos is not pressing for an end to US
military presence in the Philippines, but
is asking for adjustments in the base
agreements to give Manila greater control
and more quid pro quo, *to demonstrate*
his more independent status.

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